The construct of enterprise democratization participation management

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There are two different management systems about labor relations democracy in enterprise internal and external research system. Kaufman (2001) realized two researches have a convergence tendency, however, how to realize the integration is still not enough to provide effective guide for practice. The results is social democratic ideas can’t be accepted by enterprise. For Example, «Enterprise democratic management regulations» can’t be implemented in Chinese private enterprises which was made by Chinese six government departments. The goal of this paper is to design a construction to integrate the two systems.

I. Theory

There were two relevant theory about democratization participation management. One is Industry relations (IR) and industrial democracy. The other is Human resource management (HRM) and employee participation.

II. Research Design

1. Grounded theory and the construct model

1) Grounded theory research procedure

We began with three focus groups: employees, union managers and researchers. Firstly:36 participants from 4 family businesses; Secondly:4 union managers from government; thirdly:6 teachers from 2 schools

Each focus group began with an introduction and discussion of the “democratic management in Chinese family business”. Participants form businesses were then asked to describe participation management efficiency (i.e., sharing information, Participation in decision making) in their workplace. Others were then asked to discuss the relationship between democratization and participation.

Extensive notes were taken during the two oral focus groups and both were audio-taped to ensure that all information was collected.

2) Results

Open-ended interviews and coding (72 items), and Semi-structured interviews and coding (6 items).

6 items: Responsibility caring (N 1), humanity caring (N 2), Information sharing (N 3), authorized and decision-making (N 4 interchange), Employee stock ownership plan (N 5), proposals and Suggestions (N 6)

2. EFA/CFA and measure model

Based on employee-organization relationship theory, using AMOS, the paper analyzes the measurement and validation of democratization participation management by 469 family businesses data in the Taiwan Strait. The Results show that the measurement and validation is good fit, which shows in figure 1 and talbe 1 in the follow.

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3. SEM and validation of the scale

Using statistical methods such as Structural Equation Model, the paper analyzes the mechanism of democratic participation to organization performance (employee turnover and affection commitment), the result shows in figure 2.

III. Results

We found two dimensions of democratization participation management. That is caring and participation. Caring is a CSR domain, which includes responsibility and humanity caring. Employee participation includes sharing information and Participation in decision making, democratization participation management can realize family business democratization and organizational performance.
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